

April 22, 2015

The Honorable John Thune Chairman, Committee on Commerce, Science and Transportation United States Senate 511 Dirksen Senate Office Building Washington, DC 20510

The Honorable Bill Nelson
Ranking Member, Committee on Commerce, Science and Transportation
United States Senate
716 Hart Senate Office Building
Washington, DC 20510

The Honorable Kelly Ayotte Chairwoman, Subcommittee on Aviation Operations, Safety and Security United States Senate 144 Russell Senate Office Building Washington, DC 20510

The Honorable Maria Cantwell Ranking Member, Subcommittee on Aviation Operations, Safety and Security United States Senate 311 Hart Senate Office Building Washington, DC 20510

Dear Chairman Thune, Chairwoman Ayotte, and Ranking Members Nelson and Cantwell:

As you consider options for the next FAA reauthorization legislation, the Regional Airline Association (RAA) would like to voice our opposition to any increase to the Passenger Facility Charge (PFC). Because airports have adequate revenue available through existing revenue streams, and because airport development is robust at smaller airports, we believe this tax increase on the traveling public unnecessary, and respectively request you maintain the current cap.

Increases in aviation taxes often have a disproportionate impact on small and medium size communities. Due to the multi-segment nature of regional passenger itineraries, regional airline passengers can be exposed to greater instances of PFC collection. Additional taxes on regional passengers can further alter the "fly vs. drive equation," especially on shorter-haul routes and at smaller communities, where increased costs can lead passengers to drive to connecting airports, instead of flying. In this way, a higher PFC increases costs to our passengers directly, via the tax increase, and indirectly, as reduced traffic on

routes with fewer passengers can eventually put air service at risk.

Regional airlines are an important component of our nation's air transportation system, operating 46 percent of the nation's flights and serving 623 airports. In fact, at 394 of those airports, including 223 in the 48 contiguous United States, regional airlines are the <u>only</u> source of scheduled air service.

As the FAA Reauthorization bill moves forward, we urge the Committee to consider the unique role regional airlines play in providing the only source of scheduled air service to so many of our nation's commercial airports. Either alone or in combination with new regulatory requirements, another tax increase on our industry will only exacerbate an already challenging operating environment.

Sincerely,

Faye Malarkey Black

Interim President

Regional Airline Association

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